

DATE RECEIVED.

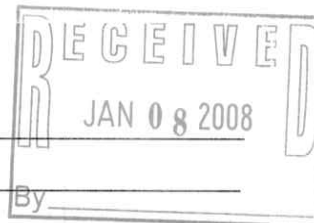
AUDIT REVIEW #(s) 04400

Assigned To: LeClaire

Date Reviewed: 1/9/09

Reviewer's Initials: ML

Date Review(s) Completed: 1/9/09



**MARJAREE MASON CENTER, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**WITH INDEPENDENT AUDITOR'S  
REPORT THEREON  
SEPTEMBER 30, 2008 and 2007**

**CONTENTS**

---

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS	1 - 2
---	-------

---

FINANCIAL STATEMENTS

Statements of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 16

---

– SUPPLEMENTARY INFORMATION

---

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18 - 19
--	---------

Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	20 - 22
Summary of Auditors' Results	23 - 25
Summary Schedule of Prior Audit Findings	26
Independent Auditor's Report on the Schedule of Expenditures of Federal Awards	27
Schedule of Expenditures of Federal Awards	28
Note to the Schedule of Expenditures of Federal Awards	29
Independent Auditor's Report on Supplementary Information	30
Combining Schedule of Revenue, Support, and Expenses	31 - 33
Schedule of Office of Emergency Services Contracts by Expenditure Category	34

---



**MORSE YARDUMIAN  
& WITTWER, LLP**

## INDEPENDENT AUDITOR'S REPORT

Certified Public  
Accountants

To the Board of Directors  
Marjaree Mason Center, Inc.  
Fresno, California

Christopher B. Morse  
Sheryl M. Yardumian  
Kenneth T. Wittwer  
Robert S. Swanton

Denise A. Cearbaugh  
Kristina L. Driftas  
Suzanne L. Newby  
C. Scott Kemp  
Samuel P. Babcock  
Jenna L. Boul  
Jay P. Bubela  
Katie S. Hofer  
Roy K. Kikunaga

8365 North Fresno Street  
Suite 110  
Fresno, CA 93720-1548

Telephone  
(559) 389-5700

Facsimile  
(559) 389-5701

Web Site  
[www.mywcpas.com](http://www.mywcpas.com)

Email  
[myw@mywcpas.com](mailto:myw@mywcpas.com)

We have audited the accompanying statement of financial position of Marjaree Mason Center, Inc. (the "Organization"), a California public benefit corporation, as of September 30, 2008, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from Marjaree Mason Center, Inc.'s 2007 financial statements. The 2007 financial statements were audited by other auditors whose report dated January 15, 2008, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Marjaree Mason Center, Inc. as of September 30, 2008 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2008 on our consideration of Marjaree Mason Center, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the

internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Morse Yardumian & Wittwer, LLP*

December 10, 2008  
Fresno, California

## MARJAREE MASON CENTER, INC

## STATEMENTS OF FINANCIAL POSITION

September 30, 2008 and 2007

	2008	2007
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 390,508	\$ 616,695
Certificates of deposit	604,818	-
Investments in mutual funds	120,851	-
Grants receivable, net	593,177	507,342
Other receivables, net	190,545	71,933
Prepaid expenses	18,354	30,771
Deposits	8,659	4,995
<b>Total current assets</b>	<b>1,926,912</b>	<b>1,231,736</b>
Property and Equipment, Net	1,450,155	1,381,026
Construction in Progress	179,481	69,761
Beneficial Interest in Perpetual Trusts	150,999	162,518
	<b>330,480</b>	<b>232,279</b>
	<b>\$ 3,707,547</b>	<b>\$ 2,845,041</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Current Liabilities		
Accounts payable	\$ 203,838	\$ 55,909
Accrued expenses	122,110	117,355
Deferred revenue	22,095	127,552
Refundable advances	161,108	61,919
<b>Total current liabilities</b>	<b>509,151</b>	<b>362,735</b>
Long-Term Debt	982,281	982,281
<b>Total liabilities</b>	<b>1,491,432</b>	<b>1,345,016</b>
Commitments and Contingencies	-	-
<b>Net Assets</b>		
Permanently restricted	150,999	162,518
Temporarily restricted	360,768	131,759
Unrestricted	1,704,348	1,205,748
	<b>2,216,115</b>	<b>1,500,025</b>
	<b>\$ 3,707,547</b>	<b>\$ 2,845,041</b>

See Notes to Financial Statements.

## MARJAREE MASON CENTER, INC.

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2008

(With Summarized Financial Information for the Year Ended September 30, 2007)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	
				2008	2007
<b>Revenues, Gains and Other Support</b>					
Grants and contracts	\$ 2,170,299	\$ -	\$ -	\$ 2,170,299	\$ 1,963,748
Contributions	419,968	499,122	-	919,090	365,495
Donated services and supplies	182,782	-	-	182,782	219,763
Special events	204,189	-	-	204,189	197,155
Program fees	190,625	-	-	190,625	169,560
Legacies and bequests	1,371	-	-	1,371	96,000
Gain (loss) in fair value of assets	( 7,044)	-	( 11,519)	( 18,563)	12,038
Interest income	20,477	-	-	20,477	19,306
<b>Total revenues, gains and other support</b>	<b>3,182,667</b>	<b>499,122</b>	<b>( 11,519)</b>	<b>3,670,270</b>	<b>3,043,065</b>
Net assets released from restrictions:				-	-
Restrictions satisfied by payment of related expenses	270,113	( 270,113)	-	-	-
<b>Total revenues, gains and other support after net assets released from restrictions</b>	<b>3,452,780</b>	<b>229,009</b>	<b>( 11,519)</b>	<b>3,670,270</b>	<b>3,043,065</b>
<b>Expenses</b>					
Program	2,719,605	-	-	2,719,605	2,513,612
Supporting services	444,480	-	-	444,480	450,964
Fundraising	73,660	-	-	73,660	56,417
<b>Total expenses</b>	<b>3,237,745</b>	<b>-</b>	<b>-</b>	<b>3,237,745</b>	<b>3,020,993</b>
Increase (Decrease) in Net Assets	215,035	229,009	( 11,519)	432,525	22,072
Contribution of Grant Funded Assets, Net	283,565	-	-	283,565	71,624
Net Assets at Beginning of Year	1,205,748	131,759	162,518	1,500,025	1,406,329
<b>Net Assets at End of Year</b>	<b>\$ 1,704,348</b>	<b>\$ 360,768</b>	<b>\$ 150,999</b>	<b>\$ 2,216,115</b>	<b>\$ 1,500,025</b>

See Notes to Financial Statements.

## MARJAREE MASON CENTER, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2008

(With Summarized Financial Information for the Year Ended September 30, 2007)

	Program	Supporting	Fundraising	2008	2007
Accounting and legal	\$ 12,046	\$ 2,519	\$ -	\$ 14,565	\$ 14,760
Advertising	16,348	748	6,021	23,117	3,107
Bad debt expense	1,008	216	4,000	5,224	4,544
Bank charges	212	-	-	212	242
Computer services	12,687	4,229	242	17,158	3,965
Conferences, conventions and meetings	21,102	3,837	13,981	38,920	44,246
Depreciation	110,771	27,693	-	138,464	136,431
Donated services and supplies	182,382	400	-	182,782	219,763
Dues and subscriptions	1,960	2,831	1,888	6,679	4,469
Employee benefits	292,148	43,789	1,482	337,419	392,270
Equipment rental, repairs and maintenance	397,269	22,488	1,389	421,146	226,665
Food	41,813	1,272	-	43,085	59,126
Insurance	31,874	17,036	437	49,347	53,061
Interest	-	84	-	84	219
Miscellaneous	15	71	-	86	1,707
Office expense	13,452	6,627	12,936	33,015	26,967
Printing	7,350	996	10,233	18,579	19,364
Professional fees	128,626	17,673	1,227	147,526	52,471
Program supplies	22,420	836	7,350	30,606	29,432
Rent	36,539	122	1,338	37,999	33,196
Salaries	1,296,640	283,445	11,136	1,591,221	1,592,700
Security	2,555	911	-	3,466	3,486
Taxes and licenses	275	602	-	877	4,306
Utilities	90,113	6,055	-	96,168	94,496
	<u>\$ 2,719,605</u>	<u>\$ 444,480</u>	<u>\$ 73,660</u>	<u>\$ 3,237,745</u>	<u>\$ 3,020,993</u>

**MARJAREE MASON CENTER, INC.**

**STATEMENTS OF CASH FLOWS**

**For the Years Ended September 30, 2008 and 2007**

	2008	2007
Cash Flow from Operating Activities		
Increase in net assets	\$ 432,525	\$ 22,072
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	138,464	136,431
Unrealized loss (gain) in fair value of assets	18,563	( 12,038)
Changes in operating assets and liabilities:		
(Increase) in grants receivable	( 85,835)	( 841)
(Increase) decrease in other receivables	( 118,612)	8,495
Decrease in prepaid expenses	12,416	2,444
(Increase) in deposits	( 3,663)	( 4,995)
Increase (decrease) in accounts payable	147,929	( 147,903)
Increase (decrease) in accrued expenses	4,755	( 3,569)
(Decrease) in deferred revenue and refundable advances	( 6,268)	( 118,722)
<b>Net cash provided by (used in) operating activities</b>	<b>540,274</b>	<b>( 118,626)</b>
Cash Flows from Investing Activities:		
Increase in construction in progress	( 12,557)	( 69,629)
Purchase of property and equipment	( 21,191)	( 12,207)
Purchase investments	( 127,895)	-
Purchase of certificates of deposit	( 604,818)	-
<b>Net cash used in investing activities</b>	<b>( 766,461)</b>	<b>( 81,836)</b>
Cash Flows from Financing Activities:		
Proceeds from issuance of long-term debt	-	61,699
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>61,699</b>
Net Decrease in Cash and Cash Equivalents	( 226,187)	( 138,763)
Cash and Cash Equivalents, Beginning of Year	616,695	755,458
Cash and Cash Equivalents, End of Year	<b>\$ 390,508</b>	<b>\$ 616,695</b>
Supplemental Disclosure of Cash Payments for:		
Interest	\$ 84	\$ 219
Non-cash Investing and Financing Activities:		
Grant-funded assets	\$ 306,509	\$ 87,098
Depreciation on grant funded assets	\$( 22,944)	\$( 15,474)
Construction in progress re-classed to property and equipment	\$ 185,150	\$ 516,850

See Notes to Financial Statements.



NOTES TO FINANCIAL STATEMENTS

September 30, 2008 and 2007

---

**Note 1. Nature of Activities and Summary of Significant Accounting Policies**

Nature of Activities: Marjaree Mason Center, Inc., (the "Organization") is a California nonprofit corporation, which operates shelters for victims of domestic violence and homeless women and children, and provides counseling, education, and other related services in Fresno County and surrounding areas. The Organization receives funding for its programs and operations from a variety of governmental and community sources, including, but not limited to, the City of Fresno, County of Fresno, U.S. Department of Housing & Urban Development ("HUD"), Office of Emergency Services ("OES"), and the State of California.

The following are the significant accounting policies of the Organization:

Basis of Presentation: The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards ("SFAS") No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets as follows:

Unrestricted: These generally result from revenue generated by receiving unrestricted contributions, providing services, and receiving interest from investments, less expenses incurred in providing program-related services, raising contributions (fundraising expenses), and performing administrative functions.

Temporarily Restricted: Gifts of cash and other assets are temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from program or capital restrictions. The Organization had temporarily restricted net assets of \$360,768 and \$131,759 at September 30, 2008 and 2007, respectively.

Permanently Restricted: These net assets are restricted by donors who stipulate that resources are to be maintained permanently, but permit the Organization to expend all of the income (or other economic benefits) derived from the donated assets. The Organization had permanently restricted net assets of \$150,999 and \$162,518 at September 30, 2008 and 2007, respectively.

Method of Accounting: The Organization uses the accrual basis method of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS

September 30, 2008 and 2007

---

**Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)**

In-Kind Contributions: Contributions of non-cash assets are utilized by the Organization in providing services and are recorded at their fair values in the period received. Contributions of non-cash assets received for fundraising events (such as catering, entertainment, etc.) are not recorded in the accompanying financial statements. In addition, contributions of non-cash assets to be sold at fundraising events by the Organization are recorded at the time of sale. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

A number of unpaid volunteers have made significant contributions of their time to the Organization. However, the value of these services is not reflected in the accompanying financial statements because generally accepted accounting principles do not allow for the recognition of non-specialized services. The value of professional services provided by trained volunteers are recorded in the accompanying financial statements (see Note 11).

Cash and Cash Equivalents: For purposes of reporting the statement of cash flows, the Organization considers cash accounts, money market funds and certificates of deposits with original maturities of three (3) months or less to be cash equivalents. At September 30, 2008 and 2007, the Organization held cash balances in excess of federally insured limits of approximately \$195,000 and \$251,000, respectively. Effective October 3, 2008, the federally insured limits were increased to \$250,000 per depositor until December 31, 2009.

Certificates of Deposit: During the year ended September 30, 2008 the Organization acquired four (4) certificates of deposit totaling \$503,263 which are held by Ameriprise and not insured by the Federal Deposit Insurance Corporation. These certificates are backed by Ameriprise Certificate Company through reserves of cash and qualified assets on deposit in a segregated custodial account in accordance with the Investment Company Act of 1940.

During the year ended September 30, 2008 the Organization acquired one (1) certificate of deposit from a financial institution in the amount of \$101,555, which is covered by the Federal Deposit Insurance Corporation up to \$100,000.

Contributions and Promises to Give: Unconditional contributions, including promises to give at estimated net realizable value, are recognized as revenue in the period received. The Organization reports unconditional contributions as restricted support if they are received with donor stipulations that limit the use of the donated assets. Promises to give at September 30, 2008 and 2007 amounted to \$179,034 and \$16,000, respectively and are all due within one year and considered fully collectible.

Grants Receivable: The Organization utilizes the allowance of accounting for and reporting uncollectible or doubtful accounts. Management determines the allowance for doubtful accounts based on an analysis of specific customers, taking into consideration the age of the past due accounts and an assessment of the customer's ability to pay. At September 30, 2008 and 2007, management considered all accounts to be fully collectible, and therefore, no allowance was recorded in the accompanying financial statements.

## NOTES TO FINANCIAL STATEMENTS

September 30, 2008 and 2007

---

**Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)**

Grants Receivable (Continued): Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. All accounts receivable are non-interest bearing. The Organization grants credit to its customers, substantially all of which are government entities (federal, state and local) and generally requires no collateral from its customers.

Investments in Marketable Securities: Investments in marketable securities consist primarily of publicly traded mutual funds and are recorded at fair value in accordance with SFAS No. 124, *"Accounting for Certain Investments Held by Not-For-Profit Organizations"*. The fair values of equity and debt securities are determined by closing prices on the last day of the fiscal year as published by the markets in which the securities are traded. These investments are covered by the Securities Investor Protection Corporation up to \$500,000 (including \$100,000 of cash). In addition, the brokerage firm maintains supplemental insurance of up to \$24.5 million per client.

Construction in Progress: Construction in progress includes shelter construction costs, which are stated at cost. Shelter construction costs totaled \$179,481 and \$69,761 at September 30, 2008 and 2007, respectively. There was no interest capitalized during 2008 and 2007.

Property and Equipment: It is the Organization's policy to capitalize property and equipment over \$500. Purchased property and equipment is capitalized at cost, donated property and equipment is recorded at fair value. The Organization does not imply restrictions on the use of contributed property and equipment received without donor stipulations. Expenditures that increase the life of the related assets are capitalized. Repairs and maintenance, including planned major maintenance activities, are charged to operations when incurred. Leasehold improvements are depreciated over the lesser of the remaining lease agreement or the estimated useful life. Depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Buildings and improvements	5 - 39
Furnishings, equipment and vehicles	5 - 10

Deferred Revenue and Refundable Advances: Deferred revenue represents special events revenues received by the Organization in advance of the event's occurrence and grant monies billed but not yet received or earned. Refundable advances represents grant monies received by the Organization, but not yet spent or earned.

Advertising Costs: Advertising costs, except for costs associated with direct-response advertising, are charged to operations when incurred. The costs of direct-response advertising are capitalized and amortized over the period during which future benefits are expected to be received. There were no capitalized costs. Advertising costs expensed during the year ended September 30, 2008 and 2007 amount to \$23,117 and \$3,107, respectively.

NOTES TO FINANCIAL STATEMENTS

September 30, 2008 and 2007

---

**Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)**

Exchange Transactions: Revenues earned from contracts and grants with County, State and Federal agencies are considered to be exchange transactions. Revenue from exchange transactions are reported gross of any related expense in the accompanying financial statements.

Allocation of Expenses: The costs of providing various programs and activities have been summarized on a functional basis in the statements of activities and functional expenses. During the year, such costs are accumulated into separate groupings as either "direct" or "indirect". Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit, such as square footage, hours worked, and employee headcount. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Fundraising Expenses: Costs of acquiring or applying for a contract or grant are categorized as indirect expenses and not separately stated as fundraising expenses. Fundraising expenses are expensed as incurred. Revenue from fundraising events is recognized in the period in which the event takes place.

Income Taxes: The Organization is a tax-exempt corporation under section 501(c)(3) of the Internal Revenue Code and section 23701(d) of the State of California Corporate Code. The Organization is subject to taxation on any unrelated business income.

Split-Interest Agreements: Split-interest agreements, which include beneficial interests in perpetual trusts, are accounted for using the Organization's percentage interest in the overall fair value of the related trusts' assets. Annual distributions from these agreements are reported as investment income that increase unrestricted net assets. The Organization re-measures its beneficial interest on an annual basis. Any adjustments are recognized as permanently restricted gains or losses. Contributions of these trust assets are classified as permanently restricted support.

**MARJAREE MASON CENTER, INC**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2008 and 2007**

**Note 2. Grants Receivable**

The following grants receivable from funding sources were due to the Organization as of September 30:

	2008	2007
City CDBG	\$ 176,574	\$ 41,766
Maternal Child Health	149,397	221,329
Office of Emergency Services	89,600	104,807
U.S. Department of Housing and Urban Development	59,741	24,737
State of California - EHAP	41,232	50,000
City Emergency Shelter Grant	20,965	26,425
Medi-Cal	16,151	-
U.S. Department of Justice	10,121	-
Fatherhood Grant	8,452	-
Project Next Step	-	8,601
Police Department	6,422	-
Homeward Bound	-	5,632
County Emergency Shelter Grant	5,995	16,603
County HRAB	5,382	7,442
Victims of Crime	3,145	-
	<u>\$ 593,177</u>	<u>\$ 507,342</u>

**Note 3. Property and Equipment**

Property and equipment consisted of the following at September 30:

	2008	2007
Buildings	\$ 175,887	\$ 175,887
Equipment	382,756	338,621
Building and land improvements	2,294,685	2,114,535
Furniture and fixtures	40,624	34,371
Vehicles	43,952	43,952
Land	44,118	44,118
Leasehold improvements	501,156	501,156
	<u>3,483,178</u>	<u>3,252,640</u>
Less: accumulated depreciation	( 2,033,023)	( 1,871,614)
	<u>\$ 1,450,155</u>	<u>\$ 1,381,026</u>
Construction in progress	<u>\$ 179,481</u>	<u>\$ 69,761</u>

**MARJAREE MASON CENTER, INC****NOTES TO FINANCIAL STATEMENTS****September 30, 2008 and 2007**

---

**Note 3. Property and Equipment (Continued)**

Construction in progress in 2008 and 2007 consisted of expenditures made on the remodel of the Fresno shelter.

**Note 4. Beneficial Interest in Perpetual Trusts**

Beneficial interest in perpetual trusts consisted of the Organization's percentage interest in two separate perpetual trusts accounted for as split-interest agreements. The Organization has valued its interest in these trusts based on the fair value of the trusts' assets. At September 30, balances consisted of the following:

	<u>2008</u>	<u>2007</u>
Burks' Trust (4.5% interest)	\$ 138,431	\$ 149,887
Nine Trust (5% interest)	12,568	12,631
	<u>\$ 150,999</u>	<u>\$ 162,518</u>

**Note 5. Line of Credit**

The Organization has a \$250,000 working capital line of credit with Central Valley Community Bank. The credit line, which is secured by a second trust deed on real property, provides for monthly interest payments at prime plus .50%. At September 30, 2008 the prime rate was 5.5%. The line of credit matures July 31, 2009. At both September 30, 2008 and 2007, there was no outstanding balance on the line of credit.

**Note 6. Refundable Advances**

Refundable advances at September 30, 2008 and 2007, consisted of unexpended funds from grantors at year-end. These funds are detailed as follows:

	<u>2008</u>	<u>2007</u>
Maternal Child Health	\$ 85,815	\$ -
EHAP	37,769	-
SC Johnson – Enrichment Center	23,693	24,460
Whitney Foundation	12,275	-
FEMA	1,556	3,815
City CDBG	-	32,953
CA Consumer Protection Fund	-	691
	<u>\$ 161,108</u>	<u>\$ 61,919</u>

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS

September 30, 2008 and 2007

**Note 7. Long-Term Debt**

Long-Term Debt consisted of the following at September 30:

	2008	2007
State of California Emergency Housing and Assistance Program ("EHAP"), forgivable loan for development of a shelter in Reedley. Secured by a deed of trust against the house leased from the City of Reedley. The note bears interest at 3%. Repayment is deferred as long as the house is used as an emergency shelter or transitional housing. The term of the loan is seven years which expires February 2011. After the loan term ends, the loan and any accrued interest shall be forgiven. If a transfer or conveyance of the property occurs before the end of the term that results in the development no longer being used as an emergency shelter or transitional housing, EHAP shall terminate the loan and require the immediate repayment of the loan, including all outstanding principal and accrued interest. The Organization has a ten year lease on the property which expires July 2012 (see Note 8).	\$ 500,000	\$ 500,000
State of California Emergency Housing and Assistance Program ("EHAP"), forgivable loan for renovation of an emergency shelter in Fresno. Secured by a deed of trust against the property. The note bears interest at 3%. Repayment is deferred as long as the property is used as an emergency shelter or transitional housing. The term of the loan is seven years which expires March 2013. After the loan term ends, the loan and any accrued interest shall be forgiven. If a transfer or conveyance of the property occurs before the end of the term that results in the development no longer being used as an emergency shelter or transitional housing, EHAP shall terminate the loan and require the immediate repayment of the loan, including all outstanding principal and accrued interest.	482,281	482,281
	<u>\$ 982,281</u>	<u>\$ 982,281</u>

**Note 8. Obligations Under Operating Leases**

The Organization leases a house in Reedley from the City of Reedley under a non-cancelable ten-year operating lease, which terminates July 2012. The triple net lease agreement calls for an annual lease payment of \$1. The Organization has determined the fair value of the monthly lease payments to be \$1,800 as of September 30, 2008.

The Organization leases office space in Fresno for the Batters Intervention Program under an operating lease. Monthly lease payments are approximately \$2,850 with terms that end November 30, 2010.



# MARJAREE MASON CENTER, INC

## NOTES TO FINANCIAL STATEMENTS

September 30, 2008 and 2007

### Note 8. Obligations Under Operating Leases (Continued)

The Organization leases six copiers. Monthly lease payments are approximately \$1,200, with terms ending in April 2011. A mailing machine and a postage meter are also leased under operating leases by the Organization with monthly payments of approximately \$60 and \$20, respectively for the year ended September 30, 2008, which terminate during March 2009 and 2013, respectively.

Washer and dryer rentals are also leased monthly for the shelter under an operating lease. Monthly payments are approximately \$85 as of September 30, 2008, and are leased under a month-to-month contract.

The Organization also leases software. Quarterly payments are approximately \$570 as of September 30, 2008, and are leased under a quarter-to-quarter contract.

Future minimum lease payments, on the leases are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2009	\$ 50,475
2010	51,280
2011	8,942
2012	260
2013	129
	<u>\$ 111,086</u>

Rent expense under operating leases for the year ended September 30, 2008 and 2007, respectively, was approximately \$53,000 and \$61,000.

### Note 9. Temporarily Restricted Net Assets

Amounts received from various donors are for specific purposes and therefore are temporarily restricted until they have been spent for their specified purposes. Temporarily restricted net assets consisted of the following at September 30:

	<u>2008</u>	<u>2007</u>
Programs and Counseling	\$ 39,513	\$ 62,435
Shelter, Food, and Supplies for Clients and Children	54,147	41,820
Adopt-a-Room	14,195	8,500
Various	7,904	7,150
Education and Outreach	236,777	6,903
Reedley House	8,232	4,951
	<u>\$ 360,768</u>	<u>\$ 131,759</u>



**MARJAREE MASON CENTER, INC**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2008 and 2007**

---

**Note 10. Retirement Plan**

During the year ended September 30, 2003, the Organization established a 401(k) Retirement Plan covering all active, full-time employees, who are age 21 or older. The employer matches 100% of the first 3% of gross salary deferred and 50% of the next 2% of gross salary per year. For the years ended September 30, 2008 and 2007, contribution expense was \$29,440 and \$31,809, respectively, and is included in employee benefits in the statement of functional expenses.

**Note 11. Donated Services and Supplies**

Donated services and supplies for the years ended September 30, consisted of the following:

	<b>2008</b>	<b>2007</b>
Trained Volunteers	\$ 76,408	\$ 86,746
Johnson Architecture	17,130	62,828
Fresno and Reedley Shelters	81,744	60,964
Donated Other Services	26,204	47,136
Education Outreach	7,500	8,000
Fundraising/Special Events	-	1,225
	<u>\$ 208,986</u>	<u>\$ 266,899</u>

Included in the above totals are \$26,204 and \$47,136, respectively, for the years ended September 30, 2008 and 2007, which are non-specialized services and therefore not required to be recorded in the accompanying statement of activities.

**Note 12. Construction in Progress**

During the year ended September 30, 2008, the Organization received one (1) grant from City of Fresno – CDBG to rehabilitate and perform improvements on its Fresno shelter. These improvements include exterior renovations. Total amount awarded under this grant is approximately \$192,200. At September 30, 2008, amounts capitalized as construction in progress amounted to approximately \$179,000. The Organization expects to complete this project during the 2009 fiscal year.

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS

September 30, 2008 and 2007

---

**Note 13. Contingencies and Concentrations**

**Economic Dependency**

The Organization receives a majority of its funding through various programs and contracts with federal, state, local, and private agencies. Grants and contracts for the years ended September 30, 2008 and 2007 comprise approximately 63% of total unrestricted revenue for both years. The following is a summary of the percentage of total grants and contracts received from each of the agencies for the year ended September 30, 2008:

<u>Granting and Contracting Agency</u>	<u>Amount</u>	<u>Percentage</u>
Department of Housing and Urban Development	\$ 447,992	21%
Office of Emergency Services	377,097	17
City of Fresno	365,299	17
County of Fresno	362,522	17
Department of Health Services	224,565	10
Other Contracts	162,662	8
U.S. Department of Justice	104,525	5
Emergency Housing and Assistance Program	94,657	4
Federal Emergency Management Agency	30,980	1
Grant and Contract Totals	<u>\$ 2,170,299</u>	<u>100%</u>

**Note 14. California Endowment**

The Organization received a pledge in the 2007/2008 fiscal year covering a two-year period from the California Endowment in the amount of \$393,354. The entire amount was recognized as revenue during the current fiscal year. Of this amount, \$231,605 was unspent at September 30, 2008, and is included with temporarily restricted net assets (see Note 9). The Organization expects to spend the remaining amount of \$231,605 during the 2008/2009 fiscal year.

## **SUPPLEMENTARY INFORMATION**

Certified Public  
Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Christopher B. Morse  
Sheryl M. Yardumian  
Kenneth T. Wittwer  
Robert S. Swanton

TO THE BOARD OF DIRECTORS  
Marjaree Mason Center, Inc.  
Fresno, California

Denise A. Cearbaugh  
Kristina L. Dritsas  
Suzanne L. Newby  
C. Scott Kemp  
Samuel P. Babcock  
Jenna L. Boul  
Jay P. Bubela  
Katie S. Hofer  
Roy K. Kikunaga

We have audited the financial statements of Marjaree Mason Center, Inc., a non-profit corporation, as of and for the year ended September 30, 2008, and have issued our report thereon dated December 10, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

8365 North Fresno Street  
Suite 110  
Fresno, CA 93720-1548

Telephone  
(559) 389-5700

Facsimile  
(559) 389-5701

Web Site  
[www.mywcpas.com](http://www.mywcpas.com)

Email  
[myw@mywcpas.com](mailto:myw@mywcpas.com)

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Marjaree Mason Center, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Marjaree Mason Center, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as described above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Marjaree Mason Center, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, Federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*Morse Yardenian & Wittwer, LLP*

December 10, 2008  
Fresno, California



Certified Public  
Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB  
CIRCULAR A-133**

Christopher B. Morse  
Sheryl M. Yardumian  
Kenneth T. Wittwer  
Robert S. Swanton

TO THE BOARD OF DIRECTORS  
Marjaree Mason Center, Inc.  
Fresno, California

Denise A. Cearbaugh  
Kristina L. Dritsas  
Suzanne L. Newby  
C. Scott Kemp  
Samuel P. Babcock  
Jenna L. Boul  
Jay P. Bubela  
Katie S. Hofer  
Roy K. Kikunaga

8365 North Fresno Street  
Suite 110  
Fresno, CA 93720-1548

Telephone  
(559) 389-5700

Facsimile  
(559) 389-5701

Web Site  
[www.mywcpas.com](http://www.mywcpas.com)

Email  
[myw@mywcpas.com](mailto:myw@mywcpas.com)

Compliance

We have audited the compliance of Marjaree Mason Center, Inc., a non-profit Organization (the "Organization"), with the types of compliance requirements described in *U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement – 2008 Edition* that are applicable to each of the major federal programs for the year ended September 30, 2008. The Organization's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Organization's compliance with those requirements.

In our opinion the Organization complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2008.

#### Internal Control Over Compliance

The management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A *control deficiency* in the Organization's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Organization's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of Board of Directors, management, Federal and State awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*Morse Yandamian & Wittwer, LLP*

December 10, 2008  
Fresno, California



**MARJAREE MASON CENTER, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended September 30, 2008**

---

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?            Yes       X       No

Reportable condition(s) identified that are not considered to be material weaknesses?            Yes       X       No

Noncompliance material to financial statements noted?            Yes       X       No

**FEDERAL AWARDS**

Internal control over major programs:

Material weakness(es) identified?            Yes       X       No

Reportable condition(s) identified that are not considered to be material weaknesses?            Yes       X       No

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?            Yes       X       No

Identification of major programs:

Department of Housing & Urban Development - 14.235  
Pass-through from Department of Housing and Urban Development - 14.231

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as "low-risk auditee"?       X       Yes            No

**MARJAREE MASON CENTER, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended September 30, 2008**

---

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**TYPES OF FINDINGS:**

There were no reportable findings related to financial statement reporting for the fiscal year ended September 30, 2008.

**MARJAREE MASON CENTER, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended September 30, 2008**

---

**SECTION III - FEDERAL AWARD FINDINGS & QUESTIONED COSTS**

**TYPES OF FINDINGS:**

There were no reportable findings for the fiscal year ended September 30, 2008.

**MARJAREE MASON CENTER, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended September 30, 2008**

---

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

There were no reportable audit findings in the prior fiscal year ended September 30, 2007.



**MORSE YARDUMIAN  
& WITTWER, LLP**

Certified Public  
Accountants

**INDEPENDENT AUDITOR'S REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Christopher B. Morse  
Sheryl M. Yardumian  
Kenneth T. Wittwer  
Robert S. Swanton

To the Board of Directors  
Marjaree Mason Center, Inc.  
Fresno, California

Denise A. Cearbaugh  
Kristina L. Driftas  
Suzanne L. Newby  
C. Scott Kemp  
Samuel P. Babcock  
Jenna L. Boul  
Jay P. Bubela  
Katie S. Hofer  
Roy K. Kikunaga

8365 North Fresno Street  
Suite 110  
Fresno, CA 93720-1548

Telephone  
(559) 389-5700

Facsimile  
(559) 389-5701

Web Site  
[www.mywcpas.com](http://www.mywcpas.com)

Email  
[myw@mywcpas.com](mailto:myw@mywcpas.com)

We have audited the basic financial statements of Marjaree Mason Center, Inc., a non-profit corporation, as of and for the year ended September 30, 2008, and have issued our report thereon dated December 10, 2008.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Morse Yardumian & Wittwer, LLP*

December 10, 2008  
Fresno, California

MARJAREE MASON CENTER, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended September 30, 2008

Pass-through Grantor/Federal Grantor/Program Title	Federal CFDA #	Grant or Contract #	Program or Award Amount	Total Costs Expended
<b>Department of Housing and Urban Development</b>				
HUD Reedley- Supportive Housing	14.235	CA01B314003	\$ 863,520	\$ 236,418
HUD Reedley- Supportive Housing	14.235	CA01B714004	\$ 575,683	\$ 46,481
Homeward Bound- Supportive Housing	14.235	CA01B614004	\$ 196,446	\$ 65,237
Project Next Step- Supportive Housing	14.235	CA01B314002	\$ 324,259	\$ 99,856
<b>Federal Emergency Management Agency</b>				
Emergency Food and Shelter Program - Phase 25	97.024	LRO ID #046400-003	\$ 30,791	\$ 3,815
Emergency Food and Shelter Program - Phase 26	97.024	LRO ID #046400-003	\$ 28,720	\$ 27,164
<b>Office of Emergency Services</b>				
Domestic Violence Response Team	16.588	VA07071257	\$ 24,299	\$ 19,668
Domestic Violence Response Team	93.671	VA07071257	\$ 148,523	\$ 157,003
Domestic Violence Assistance Program	16.588	DV07211257	\$ 5,195	\$ 3,779
Domestic Violence Assistance Program	93.671	DV07211257	\$ 64,237	\$ 48,647
Domestic Violence Assistance Program	16.575	DV07211257	\$ 98,522	\$ 76,758
Domestic Violence Assistance Program	16.588	DV08221257	\$ 8,844	\$ 1,672
Domestic Violence Assistance Program	93.671	DV08221257	\$ 73,087	\$ 17,642
Domestic Violence Assistance Program	16.575	DV08221257	\$ 84,660	\$ 20,360
<b>United States Department of Justice</b>				
Rural Access Grant	16.588	2007-WR-AX-0074	\$ 290,070	\$ 104,525
<b>Pass-through from Department of Housing and Urban Development</b>				
City of Fresno- ESG	14.231	*	\$ 88,445	\$ 62,020
City of Fresno- ESG	14.231	*	\$ 88,137	\$ 20,965
City of Fresno- CDBG 2005/2006	14.231	*	\$ 175,500	\$ 126,995
City of Fresno- CDBG 2006/2007	14.231	*	\$ 192,200	\$ 176,575
County of Fresno- ESG	14.231	A-07-199	\$ 78,662	\$ 58,276
County of Fresno- ESG	14.231	A-07-199	\$ 78,662	\$ 25,475
County of Fresno- CDBG	14.231	A-06-397	\$ 48,000	\$ 48,000
* Not Available			Grand Total	\$ 1,447,332

**NOTE TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended September 30, 2008**

---

**Note 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the schedule.

**Note 2 – Relationship to Federal Financial Reports**

Information included in the accompanying Schedule of Federal Awards is in substantial agreement with the information reported in the related financial reports for major programs.



**MORSE YARDUMIAN  
& WITTWER, LLP**

Certified Public  
Accountants

**INDEPENDENT AUDITOR'S REPORT  
ON THE SUPPLEMENTARY INFORMATION**

Christopher B. Morse  
Sheryl M. Yardumian  
Kenneth T. Wittwer  
Robert S. Swanton

To the Board of Directors  
Marjaree Mason Center, Inc.  
Fresno, California

Denise A. Cearbaugh  
Kristina L. Dritsas  
Suzanne L. Newby  
C. Scott Kemp  
Samuel P. Babcock  
Jenna L. Boul  
Jay P. Bubela  
Katie S. Hofer  
Roy K. Kikunaga

8365 North Fresno Street  
Suite 110  
Fresno, CA 93720-1548

Telephone  
(559) 389-5700

Facsimile  
(559) 389-5701

Web Site  
[www.mywcpas.com](http://www.mywcpas.com)

Email  
[myw@mywcpas.com](mailto:myw@mywcpas.com)

We have submitted, under separate cover, the individual financial statements of Marjaree Mason Center, Inc. for the year ended September 30, 2008, and our report thereon dated December 10, 2008.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole and should be read in conjunction with those financial statements and related notes.

The supplementary information submitted herewith is as follows:

1. Combining Schedule of Revenue, Support, and Expenses
2. Schedule of Office of Emergency Services  
Contracts by Expenditure Category

*Morse Yardumian & Wittwer, LLP*

Morse Yardumian & Wittwer, LLP  
Fresno, California  
December 10, 2008



## MARJAREE MASON CENTER, INC.

## COMBINING SCHEDULE OF REVENUE, SUPPORT, AND EXPENSES

For the Year Ended September 30, 2008

(With Summarized Financial Information for the Year Ended September 30, 2007)

	City/County CDBG	City/County ESG	Emergency Housing and Assistance Program	Fresno Police Department	Department of Justice
<b>Revenues, Gains and Other Support</b>					
Grants and contracts	\$ 330,176	\$ 166,738	\$ 94,657	\$ 62,955	\$ 104,525
Contributions	-	-	-	-	-
Donated services and supplies	-	-	-	-	-
Special events	-	-	-	-	-
Program fees	-	-	-	-	-
Legacies and bequests	-	-	-	-	-
Gain (loss) in fair value of assets	-	-	-	-	-
Interest income	-	-	-	-	-
Gain (loss) on sale of assets	-	-	-	-	-
<b>Total revenues, gains and other support</b>	<u>330,176</u>	<u>166,738</u>	<u>94,657</u>	<u>62,955</u>	<u>104,525</u>
<b>Expenses</b>					
Accounting and legal	-	890	797	-	-
Advertising	-	-	-	-	-
Bad debt expense	-	-	-	-	-
Bank charges	-	-	-	-	-
Computer services	-	-	-	-	-
Conferences, conventions, and meetings	-	-	-	84	6,798
Depreciation	-	-	-	-	-
Donated services and supplies	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Employee benefits	10,104	7,883	15,461	11,779	17,579
Equipment rental, repairs and maintenance	277,608	45,840	2,030	14	1,366
Food	-	2,442	-	-	-
Insurance	-	30,934	234	1,156	422
Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Office expense	-	1,144	3,503	12	675
Printing	-	150	40	37	126
Professional fees	-	-	-	128	-
Program supplies	-	-	304	-	279
Rent	-	70	-	-	800
Salaries	39,651	27,414	61,846	50,022	75,653
Security	121	2,254	-	-	-
Taxes and licenses	-	-	-	-	-
Utilities	2,692	47,717	10,442	-	827
<b>Total expenses</b>	<u>330,176</u>	<u>166,738</u>	<u>94,657</u>	<u>63,232</u>	<u>104,525</u>
<b>Increase in Net Assets</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$( 277)</u>	<u>\$ -</u>

See Independent Auditor's Report on the Supplementary Information.

## MARJAREE MASON CENTER, INC.

## COMBINING SCHEDULE OF REVENUE, SUPPORT, AND EXPENSES (CONTINUED)

For the Year Ended September 30, 2008

(With Summarized Financial Information for the Year Ended September 30, 2007)

	Housing and Urban Development	Marriage License Fees	Maternal Child Health	Office of Emergency Services	California Endowment
<b>Revenues, Gains and Other Support</b>					
Grants and contracts	\$ 447,992	\$ 230,908	\$ 224,566	\$ 377,097	\$ -
Contributions	-	-	-	-	393,354
Donated services and supplies	-	-	-	-	-
Special events	-	-	-	-	-
Program fees	-	-	-	-	-
Legacies and bequests	-	-	-	-	-
Gain (loss) in fair value of assets	-	-	-	-	-
Interest income	-	-	-	-	-
Gain (loss) on sale of assets	-	-	-	-	-
<b>Total revenues, gains and other support</b>	<u>447,992</u>	<u>230,908</u>	<u>224,566</u>	<u>377,097</u>	<u>393,354</u>
<b>Expenses</b>					
Accounting and legal	1,809	225	3,000	5,550	-
Advertising	-	-	3,700	-	-
Bad debt expense	-	-	-	-	-
Bank charges	-	-	-	-	-
Computer services	-	13,152	-	952	-
Conferences, conventions, and meetings	1,623	510	1,156	3,976	1,641
Depreciation	-	-	-	-	-
Donated services and supplies	-	-	-	-	-
Dues and subscriptions	-	17	-	368	98
Employee benefits	73,251	5,285	35,775	60,720	5,609
Equipment rental, repairs and maintenance	26,681	11,075	27,005	14,138	-
Food	2,709	1,916	78	633	-
Insurance	7,861	-	2,358	2,286	-
Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Office expense	1,020	1,889	822	4,718	553
Printing	87	3,188	925	3,458	37
Professional fees	4,314	1,152	3,849	-	100,000
Program supplies	3,037	145	3,748	1,116	281
Rent	32	-	-	1,200	-
Salaries	313,258	22,248	138,610	266,982	53,049
Security	611	115	-	-	-
Taxes and licenses	-	-	-	-	-
Utilities	11,699	1,360	3,540	10,994	586
<b>Total expenses</b>	<u>447,992</u>	<u>62,277</u>	<u>224,566</u>	<u>377,091</u>	<u>161,854</u>
<b>Increase in Net Assets</b>	<u>\$ -</u>	<u>\$ 168,631</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 231,500</u>

See Independent Auditor's Report on the Supplementary Information.

## MARJAREE MASON CENTER, INC.

## COMBINING SCHEDULE OF REVENUE, SUPPORT, AND EXPENSES (CONTINUED)

For the Year Ended September 20, 2008

(With Summarized Financial Information for the Year Ended September 30, 2007)

	Other Grants & Contracts	Contributions, Program Fees & Other	Total	
			2008	2007
<b>Revenues, Gains and Other Support</b>				
Grants and contracts	\$ 130,685	\$ -	\$ 2,170,299	\$ 1,963,748
Contributions	-	525,736	919,090	365,495
Donated services and supplies	-	182,782	182,782	219,763
Special events	-	204,189	204,189	197,155
Program fees	-	190,625	190,625	169,560
Legacies and bequests	-	1,371	1,371	96,000
Gain (loss) in fair value of assets	-	( 18,563)	( 18,563)	12,038
Interest income	-	20,477	20,477	19,306
Gain (loss) on sale of assets	-	-	-	-
<b>Total revenues, gains and other support</b>	<b>130,685</b>	<b>1,106,617</b>	<b>3,670,270</b>	<b>3,043,065</b>
<b>Expenses</b>				
Accounting and legal	-	2,294	14,565	14,760
Advertising	-	19,418	23,118	3,107
Bad debt expense	1,007	4,217	5,224	4,544
Bank charges	-	212	212	242
Computer Services	-	3,054	17,158	3,965
Conferences, conventions, and meetings	2,406	20,726	38,920	44,246
Depreciation	-	138,463	138,463	136,431
Donated services and supplies	-	182,782	182,782	219,763
Dues and subscriptions	-	6,196	6,679	4,469
Employee benefits	5,834	88,139	337,419	392,270
Equipment rental, repairs and maintenance	691	14,698	421,146	226,665
Food	31,012	4,295	43,085	59,126
Insurance	-	4,096	49,347	53,061
Interest	-	84	84	219
Miscellaneous	-	86	86	1,707
Office expense	39	18,637	33,012	26,967
Printing	-	10,532	18,580	19,364
Professional fees	17,892	20,191	147,526	52,471
Program supplies	734	20,961	30,605	29,432
Rent	-	35,897	37,999	33,196
Salaries	38,157	504,331	1,591,221	1,592,700
Security	-	366	3,467	3,486
Taxes and licenses	-	877	877	4,306
Utilities	-	6,313	96,170	94,496
<b>Total expenses</b>	<b>97,772</b>	<b>1,106,865</b>	<b>3,237,745</b>	<b>3,020,993</b>
<b>Increase in Net Assets</b>	<b>\$ 32,913</b>	<b>\$ ( 248)</b>	<b>\$ 432,525</b>	<b>\$ 22,072</b>

See Independent Auditor's Report on the Supplementary Information.

**Marijaree Mason Center, Inc.**  
**Schedule of Office of Emergency Services**  
**Contracts by Expenditure Category**

**Year Ended September 30, 2008, with Comparative Totals for 2007**

Expenditure Category	Grant Period Grant Number	2008			2007			
		7/1/2007-9/30/2008 VA07071257	7/1/2007-6/30/2008 DV07211257	7/1/2008-6/30/2009 DV08221257	7/1/2006-6/30/2007 VA06061257	7/1/2007-9/30/2008 VA07071257	7/1/2006-6/30/2007 DV06201257	7/1/2007-6/30/2008 DV07211257
Salaries and Benefits	\$	149,880	\$ 136,186	\$ 41,638	\$ 116,768	\$ 35,006	\$ 126,440	\$ 40,406
Match-Salaries and Benefits	\$	40,162	\$ 26,174	\$ 10,879	\$ 30,901	\$ 7,771	\$ 33,984	\$ 17,729
Operating Expenses	\$	26,791	\$ 17,846	\$ 4,756	\$ 13,918	\$ 4,351	\$ 28,367	\$ 5,634
Equipment	-	-	-	-	-	-	-	-
Match-Equipment	-	-	-	-	-	-	-	-
Total Including Match	\$	216,833	\$ 180,206	\$ 57,273	\$ 161,587	\$ 47,128	\$ 188,791	\$ 63,769
Total Excluding Match	\$	176,671	\$ 154,032	\$ 46,394	\$ 130,686	\$ 39,357	\$ 154,807	\$ 46,040